COMMUNITY PLANNING, DEVELOPMENT & INNOVATION

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HISTORIC PRESERVATION PERMIT RECORD OF DECISION

TO: FAE Missoula Hospital, LLC
4751 Broadway
Denver, CO 80216

FROM: Elizabeth Johnson, Historic Preservation Officer,
Community Planning, Development & Innovation,
johnsone@ci.missoula.mt.us, 406.552.6638

DATE: March 27, 2025

RE: Historic Preservation Permit Application: Post Hospital Demolition
Preliminary Application Consideration

To Whom it May Concern,

On March 5, 2025, the Missoula Historic Preservation Commission ("HPC") denied your Historic Preservation Permit application for demolition of the Fort Missoula Post Hospital located at 3255 Lt. Moss Road, Missoula, Montana. This document serves as the Record of Decision and includes the HPC's findings and conclusions as required by Missoula Municipal Code.

The HPC's decision on March 5, 2025, was the outcome of a great deal of effort and consideration of your demolition permit application package. I, as the City's Historic Preservation Officer, first reviewed your application package for sufficiency and completeness. I deemed it sufficient and complete on January 30, 2025. I notified you of this step and then set the application for consideration by the HPC. The HPC's public hearing on the matter was set for March 5, and I submitted a thorough Staff Determination on the application on February 27. The Staff Determination, which should be considered part of this Record of Decision, recommended that the HPC preliminarily approve the application, with a condition.

At the HPC's March 5, 2025 public hearing, I presented my findings and conclusions as stated in the Staff Determination. You, as the applicant, then presented your reasoning and justification to the HPC; and your presentation was followed by about 30 minutes of comments by members of the public and representatives of various organizations. The members of the HPC then asked questions, mostly directed to you and your agents, on the bases for the application. Following the answers and a motion, the HPC openly deliberated on the pending decision, drawing from the written record and the oral presentations and answers during the hearing. During the deliberations, some members shared their opinion on how some aspects of your application may satisfy some of the factual criteria necessary for approval. However, most of the opinions expressed found the criteria not met, and the HPC eventually voted to deny the permit, and the vote was unanimous.

While Section 20.85.085.J.8(c) and 20.85.085.J.9 of the Missoula Municipal Code provides the criteria necessary for approval of the application, Section 20.85.085.J.8(d) provides express guidance to the HPC on how to consider the evidence before it in determining whether the criteria was met. The latter section expressly incorporates Section 20.85.085.K, which defines "demolition by neglect." The HPC ultimately found the approval criteria not met. Here are the (summarized) reasons given by the HPC members in denying the application:

First, the HPC was unable to conclude, as required by Code for approval, that their failure to issue

the permit will result in unreasonable economic hardship to the viability of the property. The HPC found the evidence of purported economic hardship to be insufficient and irrelevant. Specifically, regarding the costs provided in the application package for operation and maintenance of the property for the past six years, most of the expenses are related to its acquisition, taxes, legal, and consulting needs, and the application lacks references to costs related to maintenance. Further, the evidence demonstrated that the lack of maintenance effort under the current ownership exacerbated the material decline in the property, injuring its economic prospects. This included, specifically, the removal of the heating system, the failure to fix known leaks in the building's roof or to waterproof cracks in the exterior walls, the failure to remove a downed tree that landed on the building in July 2024, and wholly insufficient efforts to secure the building from vandals. Given these findings, the HPC considered your claims of economic hardship to be not credible because it was the owner's own doing. As the owner of a historic building, there was a duty to preserve it and there is little evidence that the owner did so. Because the evidence consistently demonstrated a self-created hardship and demolition by neglect under Section 20.85.085.K, the applicant was unable to persuade the HPC on the "economic hardship to the viability of the property" element of Section 20.85.085.J.8(c).

Second, the HPC concluded that the application package failed to demonstrate a bona fide effort on the part of the owner to find reasonable alternatives that would result in the preservation, renovation, or adaptive reuse of the property. The evidence of owner's efforts was insufficient, especially in light of the evidence offered by the public and organizations at the hearing and the HPC members' own experience in historic preservation – including other historic buildings at Fort Missoula. The lack of an evaluation of the building by a qualified structural engineer led to an under-informed assessment of the building's integrity. Further, the application package did not show that the owner explored options such as partnering with non-profits to become eligible for preservation grants, coordinating with the State Historic Preservation Office to obtain grant funds, phasing the project to allow for different funding sources and income that could make the project viable, or even adaptively reusing the building for condominiums. While the HPC recognized that some effort had been made, on the whole it was not adequate and did not meet the criteria.

For the above reasons, the HPC denied the demolition permit application. The full record of the HPC public hearing can be found at Meeting Video, Agendas & Minutes | Missoula, MT - Official Website. If you wish to appeal the HPC's decision, you must make your appeal in accordance with Section 20.85.100 of the Missoula Municipal Code and Rule 34 of the City Council Rules. Most notably, you will have 30 days from the date of your receipt of this Record of Decision to initiate and present all of your arguments on the grounds for your appeal to the City Council. Rule 34 provides the briefing expectations and other rules on timing, etcetera.

Kindest Regards,

Elizabeth Johnson

Elizabeth Johnson,
Historic Preservation Officer - City of Missoula

cc. Paul Filicetti, Chair, Historic Preservation Commission
Laval Means, Community Planning Section Manager, CPDI
Tim DeFors, Deputy City Attorney